

DEC. 23. 1998 12:37PM

DOE/OAK/FINANCE DIV.

NO. 269 P. 3/4

Attachment II.3



Department of Energy
Washington, DC 20585

December 3, 1998

MEMORANDUM FOR FIELD CHIEF FINANCIAL OFFICERS

FROM:

MICHAEL L. TELSON *M. L. Telson*
CHIEF FINANCIAL OFFICER

SUBJECT:

Termination of Waiver of Departmental Added Factor For Work
Performed For the Environmental Protection Agency (EPA)

My memorandum of October 29, 1998, provided guidance on implementing the National Defense Authorization Act for Fiscal Year 1999 direction on Federal administrative charges (formerly referred to as Departmental added factor). A provision of the Act calls for termination, not later than two years after the date of enactment, of any existing waiver of Federal administrative charges, unless the Secretary determines that such waiver should be continued.

On September 19, 1996, this office approved a blanket waiver of Departmental added factor for EPA sponsored research performed at the Department's laboratories. The waiver applies to EPA sponsored research involving environmental science, technology, and/or engineering applications; the testing or the development of environmental monitoring/testing equipment; or any other research which promotes a cleaner, healthier, and/or safer environment.

Based on our recent review and consistent with the provisions of the Act, the authority to waive the Federal administrative charge for EPA sponsored research at the Department's laboratories is terminated effective the date of this memorandum. Pricing exceptions on existing agreements (as of the date of this memorandum) will be honored as long as there are no increases in the funding level specified in that agreement. Funding increases will be subject to the Federal administrative charge. However, in no instance will an exception extend beyond September 30, 2000.

If you have any questions regarding this memorandum, please contact Jim Reid on (202)586-4490 or Jim Campbell on (301) 903-9704.

